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ABSTRACT

In response to legislative mandate, this report discusses the mandatory statewide enrollment fee in the California community colleges that was instituted under Assembly Bill 1XX of 1984. The report provides an overview of the fee legislation, of enrollment changes in the community colleges, and of findings from a statewide study of the impact of the fee on these enrollments. In addition, the report reviews the Board of Governors' recommendations, including the recommendation to continue the fee in a form different from present law; and analyzes how these recommendations relate to: (1) past California Postsecondary Education Commission (CPEC) policies on community college fees; (2) the results of studies on the impact of the fee on enrollments; and (3) present law with respect to student fees in California's two public university systems. Finally, the report offers CPEC recommendations to the Governor and the Legislature on the continuation of the fee. A chart is provided, comparing CPEC's and the Board of Governors' recommendations. (Author/AYC)

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STATEWIDE FEES IN THE CALIFORNIA COMMUNITY COLLEGES

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

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Summary

This report discusses the mandatory statewide enrollment fee in the California Community Colleges that was instituted under Assembly Bill 1XX of 1984. Statutory authorization for the fee required that the Community Colleges' Board of Governors study the impact of the fee on enrollments and recommend policy options for consideration when the authorization expires in 1988; and it directed the Commission to comment on the Board's analysis and recommendations and to forward its comments and its own recommendations to the Legislature. This report responds to that mandate.

The report provides an overview of the fee legislation (Part One, pages 1-4), of enrollment changes in the Community Colleges (Part Two, pages 5-8), and of findings from a statewide study of the impact of the fee on these enrollments (Part Three, pages 9-16). Part Four on pages 17-23 then reviews the Board of Governors' recommendations, including the continuation of the fee in a form different from present law; analyzes how these recommendations relate to (1) past Commission policies on Community College fees; (2) the results of studies on the impact of the fee on enrollments; and (3) present law with respect to student fees in California's two public university systems; and concludes with Commission recommendations to the Governor and the Legislature on the continuation of the fee. A display on page 23 compares the recommendations of the Board and Commission on nine specific issues involving the fee and related student financial aid.

The Commission adopted this report on February 2, 1987, on the recommendation of its Policy Evaluation Committee. Further information about the report may be obtained from Jane V. Wellman of the Commission staff at (916) 322-8017 or from Suzanne Ness, the public information officer of the Commission, at (916) 322-0145.

STATEWIDE FEES IN THE CALIFORNIA COMMUNITY COLLEGES

A Report to the Governor and the Legislature in Response to Assembly Bill 1XX (1984)

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION
Third Floor • 1020 Twelfth Street • Sacramento, California 95814-3985

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Displays

1. Student Fee Changes in California Community Colleges Prior to and After 1984 2

2. Net Annual Fee Increase Resulting from the Statewide Fee Legislation, by Community College District, Between 1983 and 1984 3

3. Credit and Non-Credit Enrollments in the California Community Colleges, Fall 1981 Through Fall 1985 6

4. California Community College Credit Enrollments, by Ethnicity, Fall 1982 Through Fall 1985 7

5. Student Enrollments by Credit Hour Loads, 1983 Through 1985 10

6. Percentage Distribution of Credit Students by Academic Load, 1983 Through 1985 10

7. Pell Grants in 86 California Community Colleges, 1982 Through 1985 10

8. Awards Under the Board Financial Assistance Program, 1984-85 and 1985-86 10

9. Mean Income of Financially Independent Community College Students, by Ethnicity, 1984 Through 1986, Adjusted for Inflation 11

10. Mean Parental Income of Financially Dependent Community College Students, by Ethnicity, 1984 Through 1986, Adjusted for Inflation 12

11. Enrollment Changes in All California Community College Districts and in the Los Angeles and Los Rios Districts, by Ethnicity, Between Fall 1983 and Fall 1985 14

12. Current Law and Recommendations on Issues Regarding the Community College Enrollment Fee and Financial Aid 23

Contents

1. Imposition of the Statewide Fee 1
   - Introduction 1
   - Provisions of Assembly Bill 1XX 1
   - Fiscal Impact of the Fee 1
   - Provisions for Financial Aid 2
   - Provisions for Budgetary Consequences of Enrollment Losses 4
   - Study of the Impact of the Fee on Enrollments 4

2. Enrollment Changes Since the 1970s 5
   - The 1970s and '80s 5
   - Effects of Proposition 13 5
   - 1983 Problems 5
   - Fall 1984 Declines 7
   - 1985 Stabilization 8
   - Summary 8

3. Statewide Impact of the Fee 9
   - The Statewide Data Base 9
   - Findings of the Study 9
   - Conclusions 13

4. Board and Commission Recommendations 17
   - Recommended Principles and Policies of the Board of Governors 17
   - Commission Analysis of the Board's Recommendations 17
   - Commission Recommendations 21

References 25

1 *Imposition of the Statewide Fee*

Introduction

This Commission report to the Governor and the Legislature deals with the mandatory statewide enrollment fee in the California Community Colleges that went into effect in July 1984. The report, which is called for by the legislation that created the fee, is organized as follows:

- Part One describes the provisions of the fee legislation;
- Part Two reviews Community College enrollment changes since the 1970s.
- Part Three summarizes information from a study of the statewide impact of the fee on enrollments done by the Field Research Corporation for the Board of Governors of the Community Colleges.
- Part Four reviews the Board of Governors' recommendations about statutory changes in the fee; and
- Part Five provides the Commission's analysis of the Board of Governors' recommendations, and concludes with the Commission's own recommendations on the fee.

Provisions of Assembly Bill 1XX

The Legislature passed the Community College statewide fee bill as Assembly Bill 1XX (Statutes of 1983-84, Second Extraordinary Session, Chapter 1), and Governor Deukmejian signed it in January 1984, to take effect the following July. The major provision of the law was the imposition of a $50 per semester fee for students enrolled for six or more semester units, or a $5 per unit per semester fee for those enrolled in less than six semester units, except for students enrolled in non-credit courses and those receiving public assistance from Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI/P), or general assistance programs.

Because Community College courses are frequently offered for three units, the effect of this differential between six or more units and less than six was to charge students enrolled for two or more courses the $50 fee, and students enrolled for one class a $15 fee.

Fiscal impact of the fee

When Assembly Bill 1XX was passed, it was estimated that it would save the General Fund some $74.7 million in 1984-85 by charging student fees, and, in fact, savings have been very close to these initial estimates. Ninety-eight percent of the revenues from the fee were to be offset from local property taxes (although not kept at the district level), thereby allowing for State General Fund savings; while Community College districts were allowed to keep the remaining 2 percent to pay the costs of administering the fee.

At the same time that it imposed the statewide fee, Assembly Bill 1XX disallowed several local fees that had been permitted to be charged at the discretion of district boards. (These changes are listed in Display 1 on page 2.) As a result, the legislation eliminated an estimated $19.7 million in local revenues that had been previously collected and retained by some districts. This lost revenue was not replaced with State funds, and thus districts with high permissive fees lost the most in revenues. The result of this collapse of district fees was a differential change in the level of fees charged to students from one district to another. One district -- Coachella Valley -- charged students less after the statewide fee was imposed than before, while most charged more, as this table indicates:

Net Change in Fees		*Number of Districts*
Reduction		1
Increase:	$0 - $12	10
	$13 - $25	33
	$26 - $37	26
Total		70

No district increased its fees more than $37 over the previous semester, and the average net change was an increase of $21 per semester before financial aid.

DISPLAY 1 Student Fee Changes in California Community Colleges Prior to and After 1984

Nonresident Tuition	x	x
Community Services Classes	x	x
Classes Not Eligible for ADA	x	x
Mandatory Enrollment Fee		x
Eye Protection Devices	x	x
Field Trips	x	
In-State Field Trip Insurance	x	
Out-of-State Field Trip Insurance	x	x
Instructional Materials	x	*
Sale of Student Product	x	x
Materials Fee for Adult Classes	x	
Health	x	
Parking	x	x
Child Development Centers	x	x
Dormitories	x	x
Late Application	x	
Medical Insurance for Athletes	x	x
Use of Nondistrict Facilities	x	
Program Changes -- Adds	x	
Program Changes -- Drops	x	x
Student Records	x	x
Transportation for Adults	x	
Reduction of Common Fares	x	

* While the instructional materials fee was eliminated, subsequent legislation required the Board of Governors to develop Title 5 regulations allowing students to be charged for materials that they retain after the class.

Source: Adapted from Chancellery, California Community Colleges, 1986, page A-1.

Display 2 on page 3 ranks all 70 districts in terms of their annual net fee increase, both before and after the distribution of financial aid.

Provisions for financial aid

In order to ensure that low-income students were not denied access to Community Colleges because of the fee, the Legislature and Governor appropriated $15 million per fiscal year to the Chancellery to be used to establish a new Community College Board Financial Aid Program. The appropriation was to be used to pay for automatic fee waivers for students on public assistance as well as grants to cover the costs of fees for needy students. Students who wanted to receive grants had to demonstrate eligibility for financial aid by completing the Student Aid Application Form required of all applicants for student aid in California.

The Board Financial Aid Program was administered pursuant to regulations developed by the Board of Governors, so that there was commonality among the districts in criteria for student eligibility for the awards. However, decisions about individual college-level administration of the program were left to each district. Some districts administered the aid at the college site, while others chose to administer it at the district level.

The administrative burdens of the program proved to be too cumbersome for it to be administered smoothly. Problems ranged from complaints about understaffing in the offices to the complexity of the application process -- including the paperwork required for students to complete the application form. Differences among the districts in their capacity to handle the program meant that students in some districts had better access to aid than those elsewhere -- a discontinuity that was not justified on policy grounds. An example of this discontinuity is suggested in Display 2 by the differences in net fee increase and discounted fee increase after financial aid. While some of the disparities between these two figures are certainly attributable to the relative wealth of the student populations, that alone probably does not explain the extent of the gaps. For instance, the annual fee increase at the Compton Community College District was $38.57, which was subsequently discounted with financial aid to an annual fee increase of just $7.49. In contrast, among the Los Angeles Community Colleges, the annual fee increase was $57.83, which only dropped to $50.84, even with financial aid.

Finally, there was also evidence that the Community Colleges spent less than half of the $15 million first-year appropriation for financial aid, evidently due more to their administrative problems of getting the funds to the students in a timely manner than the fact that there were not students with demonstrated need. (Later analysis by the Field Research Corporation showed that close to one-half of the students on public assistance who should have received automatic waivers of the fees did not get them.)

DISPLAY 2 Net Annual Fee Increase Resulting from the Statewide Fee Legislation, by Community College District, Between 1983 and 1984

Rank	District	Annual Increase	Increase After Financial Aid	Rank After Financial Aid
1	Solano	$70.51	$65.21	3
2	Sequoias	69.26	65.27	2
3	Santa Clarita	67.17	65.88	1
4	San Diego	65.83	59.28	5
5	San Francisco	65.66	57.43	7
6	Los Rios	62.76	57.48	6
7	El Camino	62.24	59.57	4
8	Palomar	60.88	50.27	16
9	Riverside	60.49	54.98	9
10	Chaffey	59.90	55.87	8
11	Hartnell	58.39	54.71	10
12	Los Angeles	57.83	50.84	14
13	Peralta	56.96	40.89	27
14	Contra Costa	56.47	52.46	11
15	Barstow	56.16	41.97	25
16	Napa	55.68	48.97	18
17	West Kern	55.33	50.30	15
18	San Bernardino	55.31	49.81	16
19	Fremont-Newark	53.97	52.26	12
20	Grossmont	53.87	51.16	13
21	Southwestern	53.68	46.12	20
22	San Joaquin	52.34	40.35	30
23	Citrus	52.02	49.41	17
24	Lassen	50.93	37.91	33
25	Santa Barbara	50.78	45.87	21
26	West Valley	50.76	48.58	19
27	Cabrillo	48.15	42.60	24
28	San Luis Obispo	46.58	45.75	22
29	Yuba	46.38	36.18	35
30	West Hills	46.11	41.37	26
31	Saddleback	45.65	44.65	23
32	Marin	44.87	39.78	33
33	Monterey Peninsula	44.33	40.26	31
34	Merced	43.16	35.29	37
35	Cerritos	43.10	40.71	28
36	San Mateo	$41.85	$40.37	29
37	Mt. San Antonio	41.50	39.88	32
38	San Jose	41.49	34.07	39
39	Antelope Valley	41.06	35.31	36
40	Shasta-Tehama-Trinity	40.73	27.71	47
41	Gavilan	40.42	33.98	40
42	Victor Valley	40.26	31.54	42½
43	Butte	39.75	31.36	44
44	North Orange	39.67	37.16	34
45	Palo Verde	39.10	26.64	48
46	Compton	38.57	7.49	66
47	Sonoma	38.54	34.55	38
48	South County	35.70	33.07	41
49	Mt. San Jacinto	35.34	26.59	50
50	Long Beach	35.26	25.11	52
51	Siskiyou	34.63	24.69	53
52	Mira Costa	34.03	31.54	42½
53	Rancho Santiago	33.55	29.36	45
54	Yosemite	32.67	26.52	51
55	Redwoods	32.49	27.30	48
56	Kern	32.48	28.50	46
57	Imperial	30.95	16.95	59
58	State Center	30.39	20.42	57
59	Mendocino Lake	26.40	15.60	61
60	Pasadena	25.76	22.96	54
61	Coast	25.16	22.83	55
62	Rio Hondo	24.16	21.52	56
63	Allan Hancock	21.72	18.93	58
64	Sierra	21.61	16.52	60
65	Glendale	18.41	14.93	62
66	Ventura	16.26	12.85	63
67	Foothill	15.26	12.52	64
68	Santa Monica	15.18	11.47	65
69	Lake Tahoe	3.29	2.21	62
70	Coachella Valley	-8.04	-10.27	68

Source: Chancellery, California Community Colleges.

Because of these problems, the Legislature and Governor approved Board-sponsored legislation in the 1984-85 session allowing the Community Colleges to keep 7 percent of the $15-million appropriation to allow for a statewide increase in staff in the financial aid offices. The Legislature and Governor also subsequently approved the use of a shortened application form for Community College students applying for Board Financial Assistance Program grants.

Provisions for budgetary consequences of enrollment losses

Because of concern about the enrollment losses that were occurring in the 1983-84 year as a result of the fee impasse between the Governor and the Legislature, the final statewide fee legislation contained a clause that protected districts with one-time enrollment losses in 1983-84 from losing all of their average-daily-attendance revenues in the subsequent year. (The current Community College finance mechanism provides for average daily attendance to be reimbursed in the year *after* the enrollment losses or gains, and thus enrollment losses occurring in 1983-84 would normally be reflected in budget reductions in 1984-85.) The provision was subsequently extended to 1984-85 under Chapter 274, Statutes of 1984, so that losses in average daily attendance occurring in 1984-85 below 1982-83 levels did not result in the entire amount of budget reductions to the districts in 1985-86 that Senate Bill 815 called for.

Study of the impact of the fee on enrollments

A key provision of the final compromise reached between the Governor and the Legislature on the mandatory fee was an agreement to study its impact of the fee on enrollments prior to termination of the fee in the middle of the 1987-88 fiscal year. Assembly Bill 1XX thus contained an appropriation of $100,000 to the Board of Governors of the Community Colleges for a study to attempt to assess the fee's impact on all of the following:

1. Student enrollments;
2. Ethnic distribution of students;
3. Income distribution of students;
4. Distribution of full-time/part-time students;
5. Changes in the staffing requirements and costs of administration;
6. The availability of federal, State and other sources of financial aid; and
7. The administration and distribution of the Board Financial Aid Program by the Chancellery and the districts.

The Board of Governors' study was to be submitted to the Joint Legislative Budget Committee and the Postsecondary Education Commission by January 1, 1987, with a final report to both bodies by July 1, 1987. Assembly Bill 1XX also directed the Commission to submit its written comments and recommendations on the Board's report to the Legislature.

The statewide fee legislation is due to statutorily expire or "sunset" on January 1, 1988. At that time, the statewide fee will either be eliminated, renewed, or replaced with another fee, potentially structured differently than the current one. Whatever the resolution of that issue, steps will need to be taken in the development of the 1987-88 State budget to anticipate its fiscal consequences -- either by assuming continuing revenue to the Community Colleges from student fees in the event that a statewide fee is continued or by replacing lost fee revenue with other funds. At current enrollment levels, the State would require approximately $75 million annually to replace these lost revenues.

In order that the budget not be disrupted in the middle of the 1987-88 budget year, some steps will therefore have to be taken by the Governor and the Legislature in the next seven months to address the fee question. The Governor's proposed 1987-88 budget revenues from the fee continuing at current levels through the end of the fiscal year. In anticipation of the need for some legislative action in the Spring of 1987, the Board of Governors in December of 1986 acted to endorse a draft report to the Governor and the Legislature with recommendations for future fee policy. The Board took final action on these recommendations in January, 1987 as is explained in Part Four below.

2 *Enrollment Changes Since the 1970s*

BECAUSE the effect of the statewide mandatory fee on Community College enrollments since 1984 cannot be isolated analytically from other factors affecting enrollments, these enrollment changes are best viewed in historical and institutional context.

The 1970s and '80s

The 1980s have been a decade of difficulty for the California Community Colleges, compared to their decade of unprecedented growth during the 1970s. Headcount enrollments in the '70s grew by over 67 percent overall -- from 826,596 in 1970 to 1,383,236 in 1980, compared to only 19 percent for the University of California and 14 percent for the State University. In contrast, the '80s have been a period of fiscal stringency and enrollment stabilization for the Community Colleges, while the enrollments for other sectors of postsecondary education have continued to grow.

Effects of Proposition 13

The fiscal problems for the Community Colleges began in June 1978 with the passage of Proposition 13 and an immediate rollback in local property taxes. Budget cuts in 1978 resulted in a Fall 1978 enrollment decline of 12.3 percent -- the largest single-year enrollment decline to date. Proposition 13 also had the long-term effect of changing the base of fiscal control from one shared between local and State government to one dictated entirely by the State.

The post-Proposition 13 fiscal problems persisted at the State level into the early 1980s, when they were compounded by a nationwide recession. State budgets for all levels of education -- from elementary education in the schools to doctoral study at the University -- were shrinking along with cost-of-living increases, resulting in inadequate inflationary funding, eroding salaries, and deferral of important projects. The Community Colleges had to compete for funds as never before with the California State University and the University of California, and the two universities had a long history of competition in the State budget process.

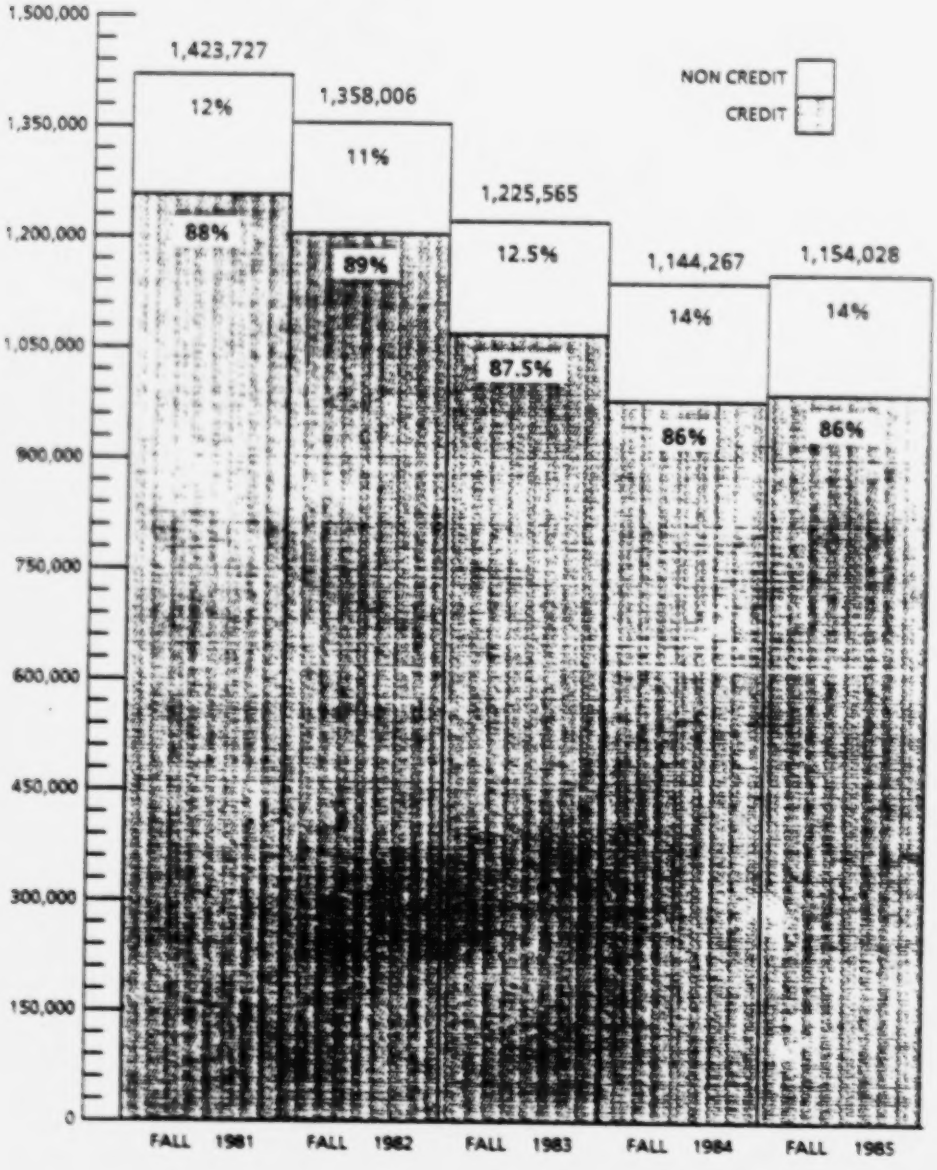
The climate of fiscal stringency in the Community Colleges was accompanied by increased questioning of their educational purposes and priorities, which was reflected in budget action in 1981-82 to limit funding for their non-credit enrollments and to reimburse average-daily-attendance growth at incremental rather than full-cost rates -- two kinds of funding differentials that do not exist for the two public universities. In the 1982 Budget Act, the Legislature developed a new policy that "recreational and avocational" courses should not be State-supported but instead should be paid for with student fees, and as a result their State budget for 1982-83 was reduced by $30 million. Thus in the fall of 1982, Community College enrollments -- which had been growing since Proposition 13 at an annual rate of 7.8 percent per year -- fell by 4.6 percent overall -- from 1,423,727 to 1,358,006. Non-credit enrollments dropped by 7.0 percent, and credit enrollments by 4.3 percent (Display 3).

A Commission survey done to assess the impact of the 1982-83 Budget constraints on the Community Colleges showed pervasive across-the-board reactions to budget cuts, with slowed enrollments, course reductions, deferral of equipment purchases, and staff and faculty reductions (California Postsecondary Education Commission, 1983).

1983 problems

In 1983, the budget difficulties of the Community Colleges grew worse when Governor Deukmejian vetoed nearly $106 million -- or 7.5 percent -- from their budget, with the expectation that they would make up this amount by imposing a general student charge of $50 per semester for those students taking six units or more and $30 per semester for those taking fewer than six units. The Legislature refused to authorize those charges, and the colleges had no way to make up the revenue loss.

DISPLAY 3 *Credit and Non-Credit Enrollments in the California Community Colleges, Fall 1981 Through Fall 1985*



Source: Chancellery, California Community Colleges, 1986

The stalemate over fees and funding continued through the Fall 1983 semester, and colleges across the State further reduced course offerings and turned away students who could not be accommodated (California Postsecondary Education Commission, 1985). The result of the stalemate was an enrollment loss of more than 132,441 students, or close to 9.7 percent -- the biggest single-year loss since Proposition 13. All of these losses occurred among credit students, whose numbers declined by 11 percent), while non-credit enrollments actually increased slightly. A Commission survey of the Fall 1983 enrollment losses found the heaviest declines among students enrolled for six units or less (an 11 percent decline), followed by a 7 percent loss for students enrolled for between six and twelve units, as well as a 7 percent decline among full-time students.

The quality of data about the distribution of the Fall 1983 declines among ethnic groups is unfortunately not good, since that year saw a change in the way such data were collected, and the information is not comparable from one year to the next. For instance, over one-half of the enrollment decline took place among students who were classified by ethnicity as "other and no-response," which casts doubt on any conclusions about ethnic enrollment trends by ethnicity after the 1982 baseline period. In spite of the data problems, some preliminary signs of differential enrollment patterns by ethnicity did appear, as Display 4 below shows: Black enrollment declined proportionately the most -- by 7.1 percent. White enrollment losses followed at 4.3 percent; while the number of American Indian students declined 3.7 percent and Hispanic enrollments dropped by 2.5 percent. Only Asian and Pacific Islander students registered a gain -- 5.8 percent

Fall 1984 declines

The impasse between the Governor and the Legislature over fees was resolved in January of 1984, with the new statewide fee to go into effect that fall -- and that fall's credit enrollments registered a third straight decline: a loss of 90,547 students or 8.4 percent. These losses were partially offset with a 9.2 percent increase among non-credit student enroll-

DISPLAY 4 California Community College Credit Enrollments, by Ethnicity, Fall 1982 Through Fall 1985

Ethnic Group	Information	Fall 1982	Fall 1983	Fall 1984	Fall 1985
All Students	Number	1,205,585	1,072,392	981,845	991,658
	Percent Change		-11.0%	-8.4%	+1.0%
White	Number	732,892	701,713	641,948	645,639
	Percent Change		-4.3%	-8.5%	+0.6%
Hispanic	Number	135,790	132,611	119,736	126,930
	Percent Change		-2.3%	-9.7%	+6.0%
Black	Number	102,997	95,660	76,971	77,207
	Percent Change		-7.1%	-19.5%	+0.3%
Asian and Pacific Islander	Number	99,407	105,147	103,803	108,952
	Percent Change		+5.8%	-1.3%	+5.0%
American Indian	Number	17,666	17,009	15,007	13,619
	Percent Change		-3.7%	-11.8%	-9.2%
Other and No Response	Number	116,833	29,348	26,162	22,829
	Percent Change		-74.9%	-10.9%	-12.7%

Source: Chancellery, California Community Colleges.

ments, however, so combined credit and non-credit enrollments declined only 6.6 percent.

Data on the ethnic characteristics of credit enrollments was collected in a consistent manner between Fall 1983 and Fall 1984, thus making it possible to see changes by ethnic categories with some confidence. These figures show credit enrollments for Black students down by an alarming 19.5 percent, American Indian enrollments off 11.8 percent, Hispanic enrollments off 9.7 percent, and white enrollment losses of 8.5 percent. Asian and Pacific Islander enrollments fell the least -- a mere 1.3 percent.

1985 stabilization

The 1985-86 budget for the Community Colleges represented a return to stability. With the slight exception of a change in the method of distribution of student aid, no budgetary or other policy changes for the Community Colleges occurred for the first time since 1981.

This budgetary stability was matched with a stabilization in credit enrollments, which increased between 1984-85 and 1985-86 by 1.0 percent. (Noncredit enrollments remained virtually unchanged.) This increase did not occur in all districts, however. Many large urban districts, such as Los Angeles and Sacramento's Los Rios, continued to experience declines. However, the statewide stabilization seems to have occurred in virtually all ethnic categories: Hispanic enrollments were up 6 percent, Asian and Pacific Islander enrollments grew by 5.0 percent, white enrollments rose 0.6 percent, and Black enrollments increased 0.3 percent, although decline continued among American Indian students and those categorized as "other/no-response" -- 9.2 percent and 12.7 percent, respectively.

Summary

The overall result of the budgetary and policy changes in the Community Colleges over the 1981-82 through 1985-86 years are thus as follows:

- Overall enrollments are down by over a quarter of a million students, or close to 19 percent of total 1981 enrollments;
- Virtually all of these declines occurred among students enrolled for credit courses, resulting in an especially heavy budgetary penalty because of the way that California funds its Community Colleges;
- The heaviest statewide enrollment declines occurred in Fall 1983, or *before* the statewide fee was instituted, but the quality of information about the ethnicity of students for that year does not allow firm conclusions about where those losses occurred;
- Fall 1984 saw additional enrollment declines that were especially pronounced among Black students; and
- The student population in 1985-86 as compared to the 1981-82 population is smaller, with proportionately more Hispanic, white, and Asian students, and fewer Black students.

What other changes may have occurred -- in course-taking patterns, for example, or in students' income levels -- are questions that are partially answered in the next sections of this report. But the specific causes of the enrollment declines -- and the extent to which these declines were caused by the new fee or by State budget actions and other factors -- cannot be answered with absolute precision.

3 *Statewide Impact of the Fee*

The statewide data base

Statewide data on the impact of the fee on student enrollments were developed from questionnaire surveys by the Field Research Corporation, on contract to the Chancellery. (Appendix A of this report reproduces the questionnaire.) Field Research conducted a benchmark survey in the spring of 1984 and then repeated it in the spring of 1985 and 1986 by sending questionnaires to a stratified random sample of students enrolled at 62 of the State's 106 Community Colleges. The statewide response rate from the three years was 69 percent in 1984, 66 percent in 1985, and 62 percent in 1986. The universe for the study was the total fall active enrollment of the 62 colleges. Thus the Spring 1984 sample was compared to Fall 1983 enrollments (a year before the fee went into effect), while the Spring 1985 sample was compared to Fall 1984 enrollments (the first semester of the fee), and the Spring 1986 sample to Fall 1985 enrollments (the second year of the fee). It is not known how much, if at all, these comparisons of the sample of spring term students to the universe of fall enrollments biased the survey results, but Appendix B provides details about the sample, the survey methodology, and the development of the statistical weights.

The Chancellery conducted an analysis of the causes of the enrollment decline using a multivariate regression technique to attempt to isolate the effect of the fee from other factors impinging on enrollments. This analysis shows a number of factors that combined with the fee to cause enrollment declines, including improved employment opportunities, a reduction in the number of high school graduates, low household incomes, and earlier starting dates for fall classes in some districts. The Chancellery's analysis also showed the sharpest enrollment declines occurred in districts where a number of these factors interacted. For instance, overall net fee increases in the Los Angeles district were among the highest in the State, average household incomes were among the lowest, and the Los Angeles colleges began their Fall 1984 classes earlier than in previous years.

Findings of the study

In brief, the findings from the 62 colleges match those from all 106 reported in Part Two above and provide additional information as well:

1. The loss of enrollments first experienced in Fall 1983 continued in Fall 1984 after the fee was put in place, but the post-fee loss was less than it had been the previous fall. Enrollments stabilized in Fall 1985 -- the second year that the fee was in place and after the adjustments in the administration of financial aid had taken place.

2. Enrollment declined among all ethnic groups, although there were differences in the rate of decline between ethnic groups. Black student enrollments continued to decline at a faster rate than other categories, while Asian enrollments lost the least.

3. A slight shift in reported incomes occurred immediately after the fee went into effect. Enrollment losses were heaviest in districts with the lowest household incomes, perhaps explaining a shift in the proportions of students from lower- and middle-income ranges to the upper ranges the first year of the fee. This shift was slightly reversed in the second year with the better availability of financial aid and the smoother functioning of the financial aid process. (The displays on the next two pages show the personal and parental income reported by the respondents in each year by ethnic group.)

4. After the fee was imposed, a pronounced shift occurred away from students taking between six and 11 units toward taking only three units, although the percentage of students taking 12 units stayed roughly the same, as Display 5 below shows.

   These changes led to the distributions of students by academic load shown in Display 6.

5. The number of students receiving Pell awards decreased in 1984 as Display 7 shows, although the

DISPLAY 5 Student Enrollments by Credit Hour Loads, 1983 Through 1985

Units Attempted	Percent Change in Credit Enrollment from Prior Year		
	1983	1984	1985
Less than 3	-17%	0%	+8%
3 - 5	-11	-3	0
6 - 8	-8	-20	0
9 - 11	-7	-10	-3
12-14	-6	-7	-3
15 or More	- 12	-6	-5
All Students	-8	-7	0

Source: Draft analysis of the impact of the fee on enrollments, Chancellery, November 1986.

DISPLAY 6 Percentage Distribution of Credit Students by Academic Load, 1983 Through 1985

Units Attempted	Percent Distribution of Credit Students		
	1983	1984	1985
0 to 5.9	43.0%	45.5%	46.7%
6 to 11.9	30.3	27.5	27.3
12 or more	26.7	27.0	26.0

Source: Draft analysis of the impact of the fee on enrollments, Chancellery, November 1986.

DISPLAY 7 Pell Grants in 86 California Community Colleges, 1982 Through 1985

Year	Recipients	Total Amount	Average Grant
1982-83	69,765	$39,885,637	$572
1983-84	66,201	37,906,389	573
1984-85	63,515	45,721,927	720
1985-86	67,306	57,834,228	859

Source: Chancellery, California Community Colleges.

average award level actually increased, possibly because of changed federal regulations that allowed higher maximum grants. The number of awards rose in 1985, although not to the level of 1983-84. These changes in federal aid appear to be primarily attributable to overall changes in enrollments rather than to increased need caused by the fee. The Chancellery's statistics indicate that neither Cal Grant awards nor institutionally funded financial aid awards appear to have been affected by the fee.

6. The Board Financial Assistance Program did not have the mitigating effect on enrollment losses that it was expected to have. Less than half of the $15 million estimated to be needed to offset fee increases for needy students were spent in both years (Display 8).

DISPLAY 8 Awards Under the Board Financial Assistance Program, 1984-85 and 1985-86

Category	1984-85	1985-86
Awards	144,238	189,985
Expenditures	$4,943,672	$7,514,234
Average Award	$34	$41

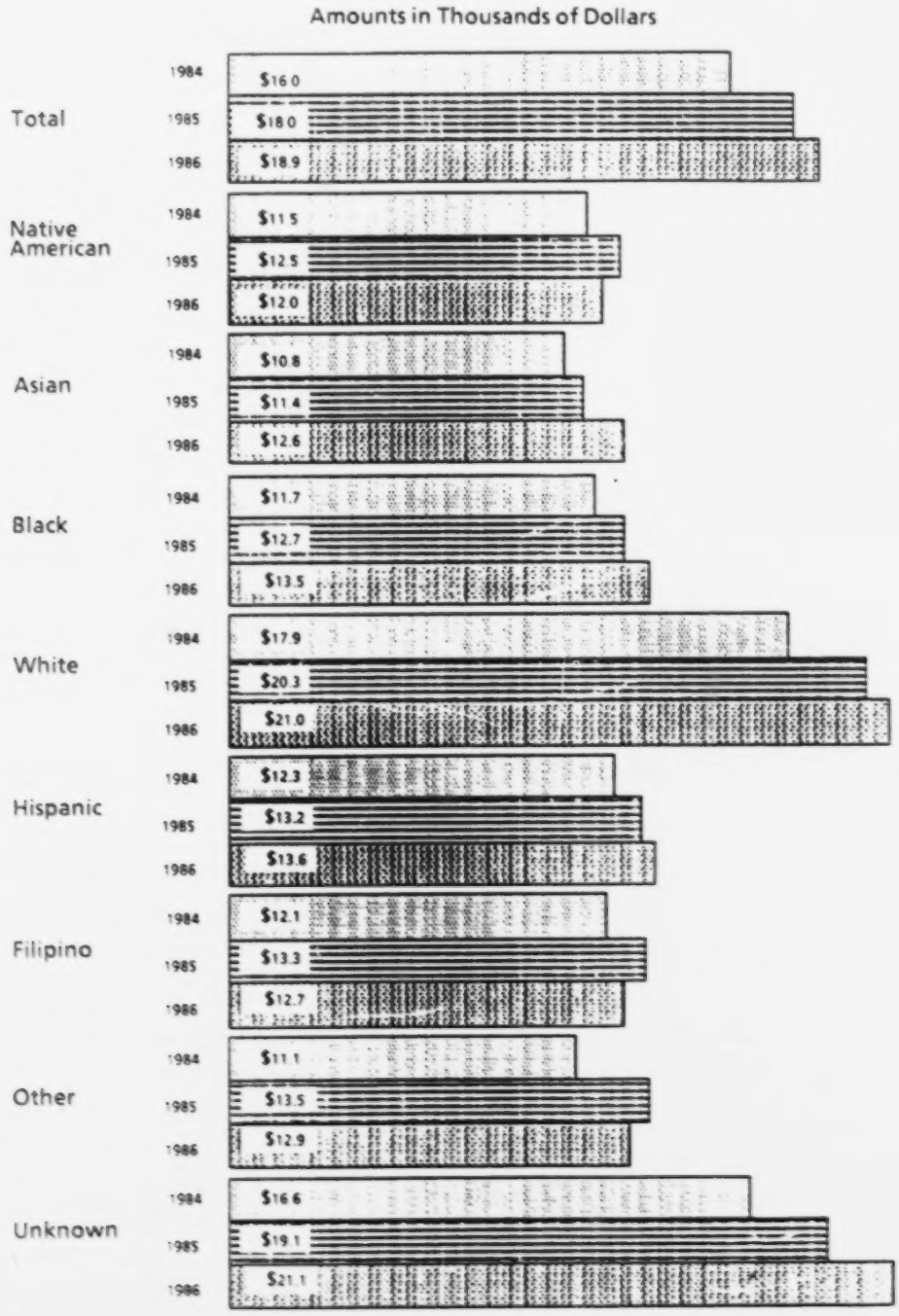
Source: Chancellery, California Community Colleges.

Although the aid awarded was significantly less than appropriations made, the Field Research Corporation data showed that more than half of students receiving public assistance -- and thus automatically eligible for a grant in the form of a waiver -- did not receive grant aid.

7. The fee appears to have slightly increased administrative costs and required new staff to meet the costs of the fee. A survey taken by the Chancellery of college effort during 1984-85 indicates that:

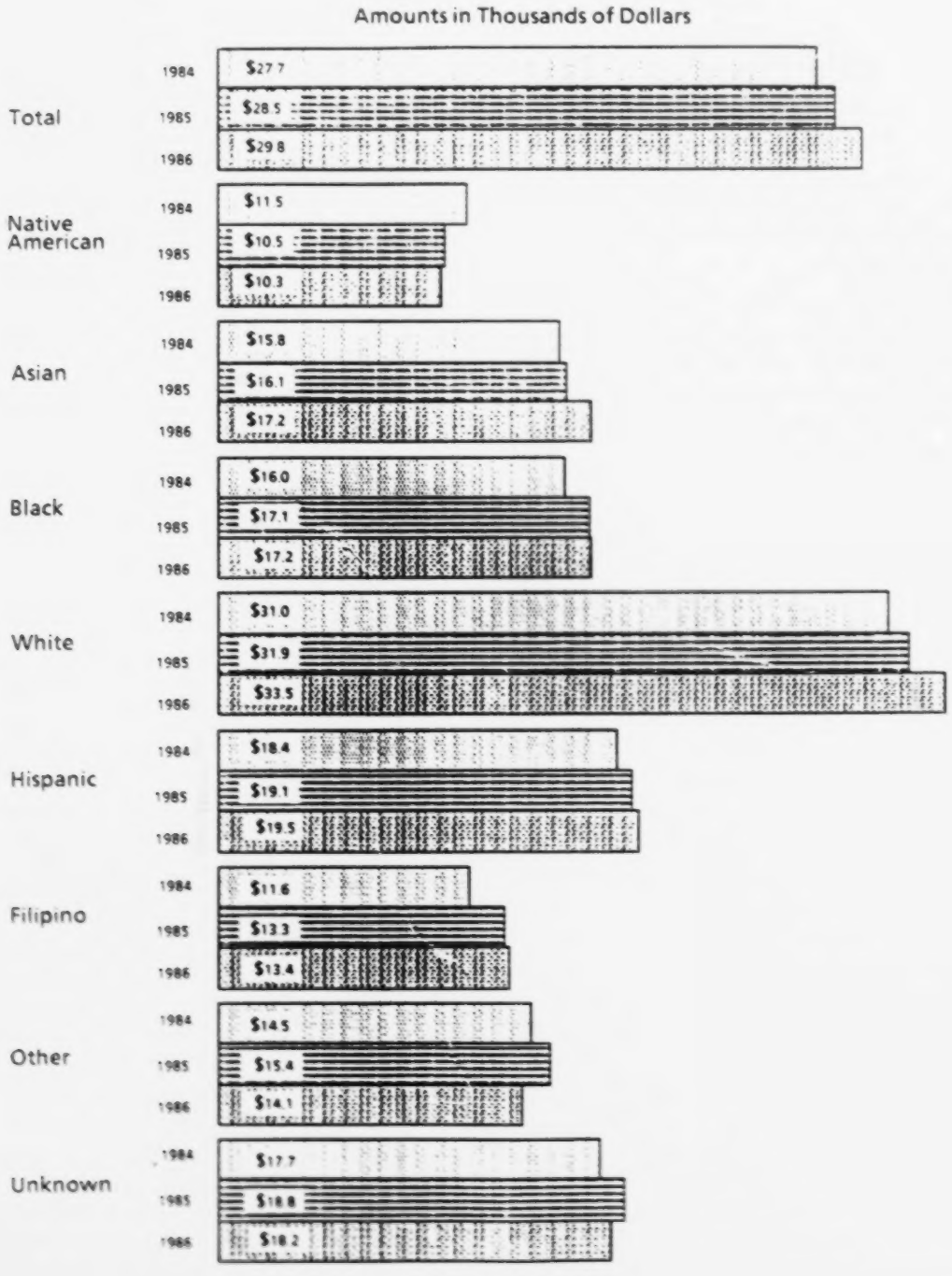
- Nine out of every ten colleges either changed or established new procedures to collect the new fee;
- Over half required additional staffing for this purpose;
- Over half of the colleges incurred substantial start-up costs, and
- Three of every five colleges felt there would be continuing costs for fee administration.

DISPLAY 9 Mean Income of Financially Independent Community College Students, by Ethnicity, 1984 Through 1986, Adjusted for Inflation



Source: Field Research Corporation surveys.

DISPLAY 10 *Mean Parental Income of Financially Dependent Community College Students, by Ethnicity, 1984 Through 1986, Adjusted for Inflation*



Source: Field Research Corporation surveys.

As noted in Part One, the original fee legislation allowed for 2 percent of the fee revenue to be kept at the district level to help pay for the administration of aid. This percentage of the $1.4 million total allowed for around $13,000 per college in increased administrative support. The Chancellery interpreted the legislative intent to mean that these revenues should be used to cover the costs of fee collection and should not be made available for financial aid administration. In 1985, when the administrative burden on financial aid offices was demonstrably greater than that associated with collecting the fee, the Legislature and Governor approved the appropriation of slightly over $1 million to the Community Colleges to increase financial aid office staffing.

Conclusions

Many social, economic, and educational factors influence enrollments in all sectors of California postsecondary education, but because of the educational mission of the State's Community Colleges and the populations from which they draw their students, they have historically had much more volatile enrollments than other colleges and universities. Their enrollment over the last five years showed a steady decline for all ethnic groups, reversing the trends for the prior two decades when enrollments grew rapidly for all groups. These enrollment declines have been proportionately the greatest for the major underrepresented ethnic groups of Black and Hispanic students. These declines become all the more alarming when compared to statewide population trends, which show increases among ethnic minority groups.

Because California's Community Colleges are the major point of entry into the State workforce and to postsecondary education for these students, these declines could have grim long-term educational and economic consequences for the State if their causes cannot be understood and action taken on those factors that are susceptible to control. The search for specific causes can frustrate State policy makers, of course, since so many factors known to cause enrollment shifts (such as general economic trends) are only marginally susceptible to State-level policy intervention. Yet by isolating those factors that can be changed by that intervention from those that cannot is a necessary first step in effective action and is thus the major goal of this report.

The enrollment trends and the available research on the effects of the Community Colleges' mandatory enrollment fee that have been reviewed in the previous pages suggest the following conclusions regarding these factors:

1. Community College enrollments are very subject to manipulation by State-level budgetary actions. The two biggest one-year declines in Community College enrollments during the past decade -- in 1978 and 1983 -- occurred in the wake of major budgetary reductions for the Community Colleges.

2. Enrollments declined for all income and racial groups in the first year after the imposition of the statewide enrollment fee. Financial aid that was appropriated to mitigate the negative effect of the fee did not have its desired impact in the first year, apparently because it was poorly administered. Adjustments to make the distribution of the fee more efficient that were made in the second year may have helped to reverse the first-year losses in the second year of the fee, accounting for an overall 1 percent increase in enrollments in that year.

3. Factors influencing these declines other than the fee and financial aid were general economic conditions, a decline in the number of high school graduates, and changes in the starting dates for fall semester classes.

4. Not surprisingly, Community College student enrollments show sensitivity to prices, as illustrated most strongly in their post-fee shift away from taking two to three courses to taking only one course. The fact that the fee legislation allowed students to take one course for $15, while two or more courses cost $50, probably explains a great deal of this shift. The "drop fee" that went into effect in Fall 1983 also appears to have deterred some students from returning.

5. The statewide fee seems to have had a particularly negative effect on Black students. Display 11 on page 14 shows overall enrollment changes following the imposition of the fee by ethnicity, and compares statewide declines to those that occurred in two large urban districts. As this display shows, the decline in Black enrollments that took place in large urban districts was much higher than the Statewide average, perhaps because of other factors (such as the need for

DISPLAY 11 Enrollment Changes in All California Community College Districts and in the Los Angeles and Los Rios Districts, by Ethnicity, Between Fall 1983 and Fall 1985

Ethnic Group	District	*Number* Fall 1983	*Percent* Fall 1985	Change	Change
All Students	All Districts	1,072,392	991,658	-80,734	-7.5%
	Los Angeles District	119,690	93,026	-26,664	-22.3
	Los Rios District	42,492	37,764	-4,728	-11.1
White	All Districts	701,713	645,639	-56,074	-8.0
	Los Angeles District	40,254	34,246	-6,008	-14.9
	Los Rios District	27,424	24,959	-2,465	-9.0
Hispanic	All Districts	132,611	126,930	-5,681	-4.3
	Los Angeles District	24,280	20,515	-3,765	-15.5
	Los Rios District	2,961	2,863	-98	-3.3
Black	All Districts	95,660	77,207	-18,453	-19.3
	Los Angeles	24,677	15,670	-9,007	-36.5
	Los Rios	4,376	3,285	-1,091	-24.9
Asian and	All Districts	105,147	108,952	+3,805	+3.6
Pacific Islander	Los Angeles	12,243	10,984	-1,259	-10.3
	Los Rios	3,517	3,106	-411	-11.7
American Indian	All Districts	7,009	13,619	-3,390	19.9
	Los Angeles	752	521	-237	-30.7
	Los Rios	743	707	-36	-4.8
Other and	All Districts	29,248	26,162	-3,186	-10.9
No Response	Los Angeles	17,484	11,090	-6,394	-36.6
	Los Rios	3,471	2,844	-627	-18.1

Source: Chancellery, California Community Colleges, and Los Angeles and Los Rio Community College Districts.

students to work and the early start of classes) that contributed to enrollment declines. Black enrollments are declining throughout the country, and so it is not possible at this time to determine whether California's declines were caused by conditions unique to this State or whether they are merely part of the larger phenomenon affecting Black students nationally.

6. The implementation of the statewide fee with only a six-month warning period from the Governor and the Legislature did not allow sufficient time for "the system" -- especially the financial aid system -- to prepare for the change.

7. The negative effect of the statewide fee on enrollments may not be long term: Systemwide enrollments increased slightly in 1985, and even the

large urban districts such as Los Angeles and Los Rios are showing signs of growth in 1986. This growth may be also attributable to the fact that Community College budgets and State-level policy regarding them have remained stable between 1984 and 1986.

8. The quality of the information available to guide State policies is unfortunately not as good as it should be. The Field Research Corporation data from the 1983-1985 period tells a good deal about Community College students that is important for policy purposes, matching as it does their educational aspirations with their educational, economic, and racial characteristics. Yet the Field Research data base cannot be compared with comparable information on students collected in prior years or for the other public segments of education, because no such information exists. Without such contextual information, there is no analytic way to separate the short-term enrollment trends in the 1983 through 1985 period from long-term economic, demographic, and social forces affecting enrollments. It should be a high priority for the State to ensure that this kind of information is collected in an ongoing and systematic fashion for at least all three public segments of postsecondary education.

4 *Board and Commission Recommendations*

Recommended principles and policies of the Board of Governors

In December 1986, the Board of Governors identified four principles for use in developing fee and financial aid policies for the California Community Colleges:

1. Community college fees should be low, reflecting an overall policy that the State bears primary responsibility for the cost of community college education.
2. Community college fees should be predictable, changed in modest fashion in relation to the cost of education, and their burden should be equitably distributed among students.
3. Financial aid should be sufficient to offset fees that may pose a barrier to the access of low income students.
4. Fee and financial aid policies should be consistent with fiscal and academic policies in supporting the dual objectives of access and excellence.

Consistent with these principles and "in light of current and expected future conditions," in January 1987 the Board made these six recommendations on fees and financial aid:

1. The sunset date for AB 1XX should be extended from January 1, 1988 to July 1, 1994.
2. The structure of the enrollment fee should be changed so that students pay $5 per unit per semester (or a quarter system equivalent) up to a maximum of $50 per semester.
3. The enrollment fee should be adjusted in fFall 1988 and in Fall 1991 to reflect the prior three-year change in the cost of Community College education. [This would increase the fee to about $60 per semester in the Fall of 1988.]
4. All existing fees in AB 1XX should be retained. The health services fee should be reinstated and the course drop fee eliminated.
5. Adequate financial aid should be provided through the Board's Financial Assistance Program and by increasing Community College financial aid office staffing.
6. Work should continue on identifying and obtaining needed additional aid for certain Community College students whose financial need and work limit their academic progress.

Commission analysis of the Board's recommendations

The Commission has evaluated the Board's recommendations in light of three criteria:

1. Their consistency with existing Commission policy recommendations affecting Community College fees;
2. Their consistency with the findings of studies of the impact of the fee on enrollment; and
3. Their consistency with existing law on student fees for California's two public universities

Consistency with existing Commission policy recommendations affecting Community College fees

In its Phase I and II responses to Assembly Concurrent Resolution 81 of 1982, the Commission developed these 11 general policy principles that apply for student fees and financial aid for all postsecondary education in California (1982, pp.8-10):

1. The State's and the students' shares in the cost of providing postsecondary education should be explicitly identified.

2. The State should assure that financial assistance is available for eligible students with demonstrated need. When student charges in public postsecondary education are raised, sufficient student financial aid must be provided to permit attendance of students who cannot afford the increase.

3. The State should assure that financial assistance is available for eligible students with demonstrated financial need. When student charges in public postsecondary education are raised, sufficient student financial aid must be provided to permit attendance of students who cannot afford the increase.

4. Student charge and financial aid policies should permit students to choose public educational institutions most appropriate to their abilities and goals.

5. State policy should provide an equitable and consistent procedure for establishing and adjusting student charges. Such policy should taken into account the relationship among levels of charges in the three public segments and the influence of those levels on student enrollment patterns. It should also assure that increases are gradual and moderate and predictable within reasonable ranges, in order to avoid disrupting ongoing institutional programs and student expectations.

6. The State should adopt policies providing for greater consistency in the public subsidy for Community College course offerings and restrict priority for State subsidy to those courses that offer clear public benefits in addition to individual benefits.

7. The State should assure stable, continuing funding of State-based and institution-based student financial aid programs.

8. Subject to explicit State policy ceilings, as students undertake advanced postsecondary study, they should be expected to make greater financial contributions for that opportunity.

9. Student charge policies should be as fair and equitable as possible.

10. Decisions to increase or decrease enrollments in particular fields should be implemented through State and segmental academic planning and budgeting decisions, rather than by increases or reductions in student charges.

11. State policy on use of student charge revenues should not restrict the ability of the segments to preserve access and quality.

In Phase III of its response to ACR 81, when the Commission specifically addressed questions of student fees in the Community Colleges, it adopted these six additional principles (1983, p. 9):

12. Any new general student charge or new financial aid structure should be accompanied by plans and procedures to evaluate its impact on access and quality.

13. Use of revenues from a general student charge in the Community Colleges should be consistent with local district governing board authority and responsibility.

14. Revenues from a general student charge in the Community colleges should be considered part of the overall support for college operations.

15. Students' share of the cost of their State-supported education should not be affected by where within Californias they reside.

16. A general charge should be imposed on Community College students only if the revenues from such a charge, when combined with other revenues, would preserve the ability of the Community Colleges to maintain access and qualioty.

17. Students in similar circumstances throughout California's public segments should be treated similarly by State financial assistance prolicies regardless of the segment which they attend, asnd the State should use a common methodology to assure equitable treatment.

The Commission then offered these nine policy recommendations regarding Community College funding, fees, and financial aid (pp. 12-40):

1. The State should provide for sufficient resources to the Community Colleges to prevent the erosion of access and quality in a time of fiscal stringency. Additional support from traditional sources would best serve this goal.

2. If the choice facing the State is one of severely curtailing Community College enrollments, further reducing levels of support and thereby inhibiting the ability of the State and colleges to provide the conditions under which access and quality can be fostered, or imposing a general student charge, then a modest charge should be imposed and the State should provide sufficient financial aid to offset the impact of the charge on students with demonstrated financial need.

3. General student charges in the Community Colleges should be mandatory for all students in all districts except those enrolled in State-supported non-credit courses.

4. General student charges should contain a differential level for students taking fewer than six units per term.

5. Revenues from general student charges should be treated the same as local property taxes in the apportionment process and should not be restricted for categorical purposes.

6. If a general student charge is continued after its first year, its level should be set and adjusted by a regular process that is consistent with the method adopted for use in the University of California and the California State University -- that is, within a specified percentage range of the average of the sum of State General Fund appropriations and property tax revenues for the previous three years for the support of full-time equivalent students in public postsecondary education.

7. The Board of Governors should consider the advantages and disadvantages of authorizing local community college districts to (a) levy a district general charge of up to 10 percent of the State general charge, and (b) utilize all revenues derived from such a charge within the district to meet local educational needs of high priority.

8. If a general student charge is instituted in the Community Colleges, the State should provide financial assistance to students with demonstrated financial need whose ability to attend postsecondary education institutions would be jeopardized by the imposition of a charge or by an increase in student charges. Such assistance should be provided through porograms that assure equitable treatment of students with similar resources and needs.

9. The State should assure that resources are available to fund estimated increases in administrative workload that are documented as stemming from the collection of mandatory student charges and the distribution of additional financial aid.

10. Charges for ancillary services, activities and materials should remain user charges that reflect the actual costs of providing specific materials, services or activities to the students who participate in or use them.

The Commission concludes that the Board of Governors' recommendations on fees and financial aid are, for the most part, consistent with these principles.

Consistency with findings of studies of the enrollment impact of the fee

Two findings from studies of the impact of the fee on enrollments are germane to the Board's recommended changes:

1. The enrollment shifts after the fee was imposed were especially pronounced among students taking fewer than five units. This shift appears to be directly attributable to the structure of the fee which charged students taking five units or less $5 per unit, whereas students taking more than five units had to pay the full $50 fee. The Board of Governors' recommendation to change the fee structure to charge $5 unit up to a maximum of $50 per semester is designed to reduce the incentive for students to take only one class in order to reduce their fees.

2. There is some evidence from follow-up studies of non-returning students by the Los Rios Community College District that the "drop fee" exacerbated the enrollment declines that occurred after the enrollment fee went into effect. A high percentage of these students would have had to pay drop fees in addition to the enrollment fee, a financial burden that they could not overcome.

   The drop fee was implemented by the Legislature the year before the enrollment fee went into effect, and at the time it was viewed by some policy

makers as a reasonable alternative to a general enrollment fee. The logic to the drop fee was to create a financial disincentive to students who "shopped" excessively for courses, only to drop out in the middle of the term. The general enrollment fee probably accomplishes that end, thus making the drop fee redundant. The Board of Governors' recommendation to eliminate the drop fee is designed to address that redundancy.

The Commission thus concludes that the Board of Governors' recommendations are, for the most part, consistent with findings about the enrollment impact of the fee as presently structured.

Consistency with current law with respect to the University of California and the California State University

Current law on general student fees forCalifornia's two public universities was developed and put into law with Senate Bill 195 (Maddy, Chapter 1523, Statutes of 1985), which sunsets on August 31, 1990. In general, that legislation implemented the principles set forth by the Commission in Phases I and II of its response to ACR 81. Nonetheless, several specific aspects of current law either go beyond the ACR 81 principles or contradict them:

1. SB 195 prohibits revenues from student fees being used to pay for general instructional purposes. This contradicts the Commission's recommendation that student fee revenues not be restricted in such a manner as to inhibit their use for high priority instructional purposes.

2. There is no provision for students' share of educational costs to increase at higher educational levels. The specific recommendation to charge graduate students more for their educational costs was not implemented.

3. The mechanism for increasing or decreasing student fees is set to be either the three-year moving average of changes in the amount of state support provided per unit of statewide equivalent full-time enrollment **or** 10 percent, whichever is less.

4. All mandatory fees are to be fixed at least 10 months prior to the fall term in which they become effective.

5. Mandatory fees are to be set by the governing boards of each segment pursuant to these policies after consultation with student representatives.

Less consistency exists between the Board's recommendations about Community College fees and current law with respect to the two public university systems than between the Board's recommendations and those of the Commission or the findings of studies of fee impact. Since the Commission holds that fee policies among the three segments should be generally consistent, it believes that discepancies between several Board recommendations and current fee policies for the two universities needs to be reconciled.

The three areas of discrepancy are:

1. *Sunset date:* The Board recommends extending the sunset date in AB1XX to 1994, while the fee policy for the two universities under SB 195 sunsets in 1990. This separation of the three segments in statute would have two undesirable consequences -- (1) requiring that the Legislature and Governor reconsider postsecondary fee policy at least twice rather than once in the next decade, and (2) isolating the Community Colleges from their sister segments in those reconsiderations.

2. *Fee adjustment procedures:* The Board recommends adjusting the enrollment fee in Fall 1988 and every three years thereafter based on the prior three-year change in the cost of Community College education. SB 195 also requires that fees in the two universities be adjusted on the basis of the prior three-year average change in costs, but it requires these changes to be made annually rather than every three years. This difference would ensure that the Community Colleges are isolated from the two other public segments in budgetary consideration of fees and financial aid.

3. *Use of fee revenues:* Under current law, Community College enrollment fee revenues are available for general-purpose use, including paying the costs of instruction. Yet current law for the two public universities prohibits the use of student fee revenues for instructional purposes.

(This prohibition, it should be noted, is inconsistent with the Commission's principle that State policy on the use of student charge revenues should not restrict the ability of the segments to preserve access and quality.)

Commission recommendations

Based on the above analysis, the Commission offers these eight recommendations to the Governor and Legislature on Community college fees and student aid:

1. **The Commission recommends extending the sunset date for AB1XX from January 1, 1988, to August 31, 1990, to coincide with the sunset date for SB195, the fee legislation that affects the other two segments. Fee and financial aid policy for the three public segments can then be re-evaluated together.**

2. **The Commission recommends that the structure of the enrollment fee be changed so that students taking six or fewer units pay a fee of $30 per semester and those taking seven units or more pay a fee of $50 per semester.**

   The Commission supports a change in the structure of the fee from its present $5 per unit for five units or less and $50 per semester for six units or more. However, the Commission is concerned that the Boards' recommended position to structure the fee at $5 per unit up to a $50 maximum will not remove students' incentive to take only one class in order to pay the minimum fee. At the time that the Commission recommended against the per unit fee in Phase III of its response to ACR 81, it stated (1983, pp. 28-29):

   > A per-unit charge contains powerful disincentives against students taking more units and can lengthen the already long time it takes students to achieve their educational objectives or earn degrees.
   >
   > In years when a per-unit charge is raised appreciably, students are likely to respond by taking fewer units. Such a response could have a major effect on overall State support levels for enrollment but would not necessarily have the same effect on headcount enrollment and the number of students requiring services. For example, when Nevada switched from a flat to a per-unit charge structure some years ago, the average credit load of students dropped a full unit the first year and has continued to decline steadily every year since then. In Florida, increases in per-unit fees at state university campuses resulted in no appreciable change in headcount enrollments, but a 10 percent drop in full-time-equivalent students and a related reduction in overall state support.
   >
   > Finally, a per-unit charge structure is expensive to administer in terms of levying charges, collecitng them, and providing refunds when students drop courses during any term.

3. **The Commission recommends that the enrollment fee be changed in the Fall of 1988 and again ever year thereafter to reflect the prior three-year change in the cost of Community College education.** (This policy would increase the fee by $10 per semester in Fall 1988, with predictably lower annual increases thereafter.)

4. **The Commission supports the elimination of the drop fee, as well as reinstatement of the optional health services fee.**

5. **The Commission supports the Board of Governors' fifth recommendation that adequate financial aid be provided through the Board's Financial Assisance Program and by addressing the problem of Community College financial aid office staffing.**

6. **The Commission supports the Board's sixth recommendation that work continue on identifying and obtaining needed additional aid for certain community college students whose financial need and work limit their academic progress.**

7. **The Commission recommends that, consistent with current law affecting California's two public universities, consultation take**

place with Community College students on Community College fee policies.

8. **Finally, the Commission recommends that the data collection efforts required by AB1XX for Community College students be continued and extended to the two public universities.**

The study by the Field Research Corporation for the Board of Governors for the first time provided data on the economic, demographic, and enrollment characteristics of a statewide sample of these students. This information is invaluable to the State in making well-informed fee and financial aid policy and should be obtained on students in all three segments.

DISPLAY 12 Current Law and Recommendations on Issues Regarding the Community College Enrollment Fee and Financial Aid

Issue	Current Law	Board of Governors' Recommendations	Commission Recommendations
1. **Fee sunset date**	January 1, 1988	July 1, 1994	August 31, 1990, in order to coincide with the sunset date of SB 195
2. **Structure of the enrollment fee**	$50 for six units and above; $5 per unit below six units	$5 per unit up to a maximum charge of $50	$50 for seven units and above; $30 for six units and below
3. **Procedure for adjusting the fee**	None	Once every three years beginning in Fall 1988 to reflect the prior three-year change in the cost of Community College education	Annually each year beginning in Fall 1988 to reflect the prior three-year change in the cost of Community College education
4. **The drop fee**	Retained	Eliminate the drop fee	Same as the Board of Governors
5. **The health services fee**	Eliminated as a district option	Reinstate the health fee at the option of the local governing board	Same as the Board of Governors
6. **Board Financial Assistance Program**	The Board Financial Assistance Program is established to defray the cost of fee for needy students	Continue the Board Financial Assistance Program and expand both the program and staffing to the extent that resources permit	Same as the Board of Governors
7. **Financial aid**	No explicit provision	Work should continue on identifying and obtaining needed financial aid	Same as the Board of Governors
8. **Consultation with students**	None required	No recommendation	The Board of Governors should consult with student representatives prior to recommending fee policies
9. **Data collection**	$100,000 appropriated for a three-year survey of the demographic, economic and academic characteristics of students	No recommendation	Continuation and expansion of data collection effort

Source: California Postsecondary Education Commission.

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CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

THE California Postsecondary Education Commission is a citizen board established in 1974 by the Legislature and Governor to coordinate the efforts of California's colleges and universities and to provide independent, non-partisan policy analysis and recommendations to the Governor and Legislature.

Members of the Commission

The Commission consists of 15 members. Nine represent the general public, with three each appointed for six-year terms by the Governor, the Senate Rules Committee, and the Speaker of the Assembly. The other six represent the major segments of postsecondary education in California.

As of March 1987, the Commissioners representing the general public are:

Seth P. Brunner, Sacramento
C. Thomas Dean, Long Beach, *Chairperson*
Seymour M. Farber, M.D., San Francisco
Cruz Reynoso, Los Angeles
Lowell J. Paige, El Macero
Roger C. Pettitt, Los Angeles
Sharon N. Skog, Mountain View, *Vice Chairperson*
Thomas E. Stang, Los Angeles
Stephen P. Teale, M.D., Mokelumne Hill

Representatives of the segments are:

Yori Wada, San Francisco; representing the Regents of the University of California

Claudia H. Hampton, Los Angeles; representing the Trustees of the California State University

Arthur H. Margosian, Fresno; representing the Board of Governors of the California Community Colleges

Donald A. Henricksen, San Marino; representing California's independent colleges and universities

Harry Wugalter, Thousand Oaks; representing the Council for Private Postsecondary Educational Institutions

Angie Papadakis, Palos Verdes; representing the California State Board of Education

Functions of the Commission

The Commission is charged by the Legislature and Governor to "assure the effective utilization of public postsecondary education resources, thereby eliminating waste and unnecessary duplication, and to promote diversity, innovation, and responsiveness to student and societal needs."

To this end, the Commission conducts independent reviews of matters affecting the 2,600 institutions of postsecondary education in California, including Community Colleges, four-year colleges, universities, and professional and occupational schools.

As an advisory planning and coordinating body, the Commission does not administer or govern any institutions, nor does it approve, authorize, or accredit any of them. Instead, it cooperates with other state agencies and non-governmental groups that perform these functions, while operating as an independent board with its own staff and its own specific duties of evaluation, coordination, and planning.

Operation of the Commission

The Commission holds regular meetings throughout the year at which it debates and takes action on staff studies and takes positions on proposed legislation affecting education beyond the high school in California. By law, the Commission's meetings are open to the public. Requests to address the Commission may be made by writing the Commission in advance or by submitting a request prior to the start of a meeting.

The Commission's day-to-day work is carried out by its staff in Sacramento, under the guidance of its executive director, William H. Pickens, who is appointed by the Commission.

The Commission issues some 30 to 40 reports each year on major issues confronting California postsecondary education. Recent reports are listed on the back cover.

Further information about the Commission, its meetings, its staff, and its publications may be obtained from the Commission offices at 1020 Twelfth Street, Third Floor, Sacramento, CA 98514-3985; telephone (916) 445-7933.

ONE of a series of reports published by the Commission as part of its planning and coordinating responsibilities. Additional copies may be obtained without charge from the Publications Office, California Postsecondary Education Commission, Third Floor, 1020 Twelfth Street, Sacramento, California 98514-3985.

Other recent reports of the Commission include:

86-30 Conflicts in State Policies Governing Undergraduate Enrollment at California's Public Universities: An Analysis in Response to Language in the Supplemental Report of the 1985 Budget Act (December 1986)

86-31 Student Financial Aid in California: To Close the Widening Gyre (December 1986)

86-32 Effects of the Mandatory Statewide Fee on California Community College Enrollments: A Staff Report to the California Postsecondary Education Commission (December 1986)

86-33 Retention of Students in Engineering: A Report to the Legislature in Response to Senate Concurrent Resolution 16 (1985) (December 1986)

86-34 Evaluation of the California Mathematics Project: A Report to the Legislature in Respone to Senate Bill 424 (Chapter 196 of the Statues of 1986) (December 1986)

86-35 Health Sciences Education in California, 1985-86: The Fourth in a Series of Biennial Reports to the Governor and Legislature in Response to Assembly Bill 1748 (Chapter 600, Statutes of 1976) (December 1986)

86-36 1986 Reauthorization of the Federal Higher Education Act of 1965: A Staff Report to the California Postsecondary Education Commission (December 1986)

86-37 The State Appropriations Limit: The "Gann Ceiling." A Presentation to the California Postsecondary Education Commission by Kevin Gerard Woolfork and Suzanne Ness (December 1986)

86-38 Expanding Educational Opportunities for Students with Disabilities: A Report to the Governor and Legislature by the Intersegmental Planning Committee on Assembly Concurrent Resolution 3 (Published for the Committee by the California Postsecondary Education Commission, December 1986)

87-2 Women and Minorities in California Public Postsecondary Education: Their Employment, Classification, and Compensation, 1975-1985. The Fourth in the Commission's Series of Biennial Reports on Equal Employment Opportunities in California's Public Colleges and Universities (February 1987)

87-3 Issues Related to Funding of Research at the University of California: A Report to the Legislature in Response to Supplemental Language in the 1985 Budget Act (February 1987)

87-4 The California State University's South Orange County Satellite Center: A Report to the Governor and Legislature in Response to a Request from the California State University for Funds to Operate an Off-Campus Center in Irvine (February 1987)

87-5 Proposed Construction of San Diego State University's North County Center: A Report to the Governor and Legislature in Response to a Request for Capital Funds from the California State University to Build a Permanent Off-Campus Center of San Diego State University in San Marcos (February 1987)

87-6 Interim Evaluation of the California Student Opportunity and Access Program (Cal-SOAP): A Report with Recommendations to the California Student Aid Commission (February 1987)

87-7 Conversations About Financial Aid: Statements and Discussion at a Commission Symposium on Major Issues and Trends in Postsecondary Student Aid (February 1987)

87-8 California Postsecondary Education Commission News, Number 2 [The second issue of the Commission's periodic newsletter] (February 1987)

87-9 Expanding Educational Equity in California's Schools and Colleges: A Review of Existing and Proposed Programs, 1986-87. A Report to the California Postsecondary Education Commission by Juan C. Gonzalez and Sylvia Hurtado of the Higher Education Research Institute, UCLA, January 20, 1987 (February 1987)

87-10 The 1987-88 Governor's Budget: A Staff Report to the California Postsecondary Education Commission by Suzanne Ness and Kevin Gerard Woolfork (February 1987)

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